Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of

Petition of Bell Atlantic for Further Forbearance from Section 272 Requirements in Connection with National Directory Assistance Services



PETITION FOR FURTHER FORBEARANCE

On September 27, the Commission issued an order granting U S WEST forbearance from section 272 of the Act in connection with its national directory assistance services. Bell Atlantic offers the same services and seeks the same relief. To expedite the Commission's consideration of this petition, Bell Atlantic has served it on all the parties in Docket No. 97-172.

The Service

Bell Atlantic provides a directory assistance service that is generally the same as that offered by U S WEST, as described in paragraphs 5 to 10 of the *Forbearance Order*. Bell Atlantic's service offers its 411 callers directory listings for anywhere in the country. Unlike the U S WEST service described in that order, however, Bell Atlantic is the sole owner of the

Petition of US WEST Communications, Inc. for a Declaratory Ruling Regarding the Provision of National Directory Assistance, Memorandum Opinion and Order, CC Docket No. 97-172 (rel. September 27, 1999) ("Forbearance Order").

This application is submitted by Bell Atlantic-Delaware, Inc.; Bell Atlantic-Maryland, Inc.; Bell Atlantic-New Jersey, Inc.; Bell Atlantic-Pennsylvania, Inc.; Bell Atlantic-Virginia, Inc.; Bell Atlantic-Washington, D.C., Inc.; Bell Atlantic-West Virginia, Inc. The other Bell Atlantic telephone companies filed a forbearance petition on October 22.

information storage facilities used to provide its national directory assistance services. Bell Atlantic's service is, therefore, authorized by section 271(g)(4) of the Act.

This is how these calls are handled in Bell Atlantic's network.³ When a customer dials 411, 555-1212, or home-LATA NPA 555-1212, the local central office switch recognizes the call and routes it to an operator services switch. Except in the New Jersey system, an adjunct system (Automatic Directory Assistance Services, ADAS) delivers a script asking the caller for the city, state and listing desired. This information is sent to a Bell Atlantic directory assistance operator who launches a database query. In New Jersey, an operator using a Personal Audio Unit (PAU) requests city, state, and desired listing and launches the database query. All queries are sent over Bell Atlantic official services facilities to one of two locations in Pennsylvania where Bell Atlantic stores its local directory assistance information.

If the caller is asking for local information or nonlocal information in the southern Bell Atlantic states, the storage facility in that location returns the number. An audio response unit adjunct to the operator switch plays the information for the customer.

If the requested number is a nonlocal listing outside these states, the query is forwarded, over facilities obtained from an interexchange carrier, to Lombard, Illinois, where two information storage facilities are located. Each of these facilities contains nationwide listings.

Bell Atlantic is the sole owner of one of these facilities, which it purchased from Nortel Networks, Inc. Work is in progress to direct Bell Atlantic queries exclusively to the Bell

A diagram is attached.

Atlantic facility.⁴ The nonlocal information retrieved from this Bell Atlantic facility will be delivered to the caller by the same audio response units used for local information.

Forbearance Is Appropriate

The Commission found that the nonlocal directory assistance service that uses a Bell company's information storage facilities located outside the customer's LATA is an interLATA service that the Bell company is permitted to offer under section 271(g)(4). The Commission granted U S WEST forbearance from the separate subsidiary requirements of section 272 which generally apply to section 271(g)(4) services. That grant of forbearance was based on the Commission's finding that the requirements for forbearance in section 10 were satisfied. The Commission's finding is equally applicable to Bell Atlantic's service.

Enforcement of section 272 is not necessary to ensure that the charges, practices, classifications or regulations by, for, or in connection with that telecommunications carrier or telecommunications service are just and reasonable and are not unjustly or unreasonably discriminatory.

The Commission found that this test was satisfied in the Forbearance Order.

"We find that competition is the most effective means of ensuring that the charges, practices, classifications, and regulations with respect to U S WEST's provision of regionwide directory assistance service are just and reasonable, and not unjustly or unreasonably discriminatory." 5

And, therefore,

"we conclude that enforcement of section 272, in its entirety, is not necessary to ensure that the charges, practices, classifications, and regulations with respect to U S WEST's provision of nonlocal directory assistance are just and reasonable, and not unjustly or unreasonably discriminatory.⁶

This rearrangement should be completed in about six weeks.

⁵ Forbearance Order ¶ 31.

⁶ Forbearance Order ¶ 45.

The same is true of Bell Atlantic national directory assistance service.

Bell Atlantic is a relatively new entrant in the business of providing nonlocal directory information. AT&T, MCI and Sprint all provide this service, as do INFONXX and others.

Nationwide telephone listings are also available from CD-ROM providers, Internet service providers and providers of payphone and cellular telephone services.

In the case of U S WEST, the Commission conditioned its forbearance on U S WEST's making available to unaffiliated entities all of the in-region directory listing information it uses to provide regionwide directory assistance service at the same rates, terms, and conditions it imputes to itself.⁷ Bell Atlantic will offer regionwide listing information to unaffiliated entities on these terms. The Commission also required U S WEST to make appropriate changes in its cost allocation manual. Bell Atlantic filed its cost allocation manual modification on October 18.

In the *Forbearance Order*, the Commission also found that, if U S WEST used the directory listing information of the customers of independent and competitive LECs operating in its region, it must make such information available to unaffiliated entities. In addition, U S WEST must update and maintain the regional directory listing information it provides to unaffiliated entities in the same manner it updates and maintains such information it uses in the provision of nonlocal directory assistance service. Bell Atlantic will comply with these conditions.

Enforcement of section 272 is not necessary for the protection of consumers.

The Commission also found that the test of section 10(a)(2) was satisfied:

Forbearance Order \P 37.

Forbearance Order ¶ 37.

"We do not find that application of the section 272 safeguards is the only manner in which fair competition in the nonlocal directory assistance market may be achieved. Indeed, in our discussion of the first forbearance criterion, we determine that U S WEST must make available to unaffiliated entities all of the in-region directory listing information it uses to provide regionwide directory assistance service at the same rates, terms, and conditions it imputes to itself. As noted above, imposition of nondiscrimination requirements with respect to in-region telephone numbers should promote the development of a fully competitive market for nonlocal directory assistance services by ensuring that no one competitor will have an undue advantage in the nonlocal directory services market. This should stimulate the entry of new providers of nonlocal directory assistance. The introduction of additional competitors in the nonlocal directory services market will, in turn, encourage the providers of these services to compete on the basis of price and quality, which will ultimately benefit consumers. In view of this finding, we conclude that enforcement of section 272 is not necessary to protect consumers."

These conclusions apply equally to Bell Atlantic's national directory assistance services.

Forbearance from applying section 272 is consistent with the public interest.

The Commission made the following findings with respect to the U S WEST national directory assistance service:

"We conclude that allowing U S WEST to provide regionwide directory assistance service on an integrated basis will benefit consumers because they will be able to obtain a convenient, competitively-priced service. We further conclude that forbearance from the structural separation requirements of section 272 with respect to U S WEST's provision of nonlocal directory assistance service will enhance competition among competing providers of nonlocal directory assistance service."

It further found

"that permitting U S WEST to provide nonlocal directory assistance service on an integrated basis will allow U S WEST to be a more effective competitor in the nonlocal directory services market. Conversely, if U S WEST was required to provide nonlocal directory assistance through a separate affiliate, while continuing to provide local directory assistance on an integrated basis, the section 272 safeguards would pose significant adverse competitive consequences for U S WEST, without positive benefits for consumers."

Forbearance Order \P 47.

Forbearance Order ¶ 48.

Forbearance Order \P 49.

For these reasons, all of which apply equally to Bell Atlantic's provision of this service, the Commission "conclude[d] that forbearance from section 272 is in the public interest." ¹²

Conclusion

Bell Atlantic respectfully requests that the Commission grant this petition.

Respectfully submitted,

John M. Goodman

Attorney for Bell Atlantic

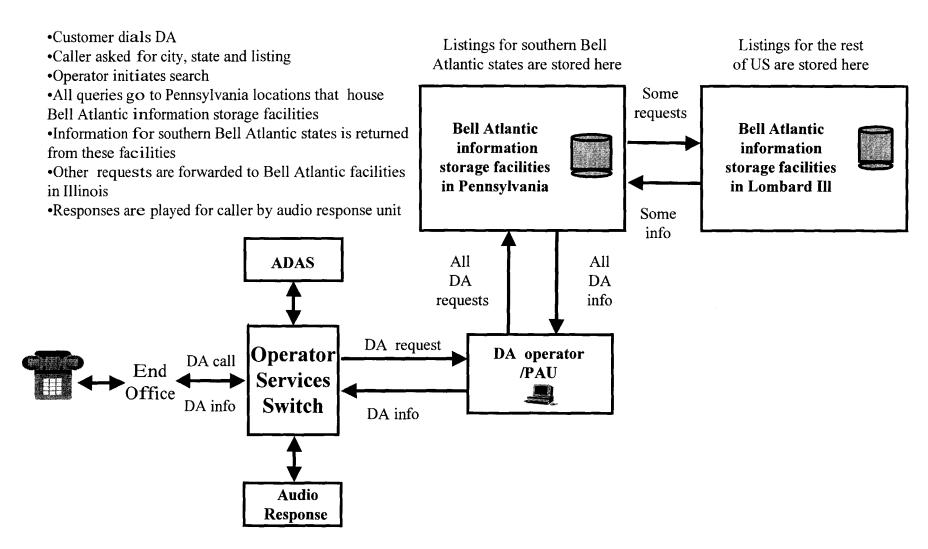
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Dated: November 5, 1999

Michael E. Glover

Of Counsel

National DA Service



CERTIFICATE OF SERVICE

I, Fran Folgner, hereby certify that on this 5th day of November 1999, a copy of the foregoing Petition For Further Forbearance was served by hand-delivery and US Mail on the following parties. Where indicated with an asterisk, service was hand delivered.

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